



CNO 20% T&E Cost Reduction Initiative

***Policy Working Group
ROADMAP BRIEF***



Policy Working Group

- **CHARTER:** Generate a Plan of Action & Milestones / “Roadmap” that will:
 - Identify those policies that, historically, have been perceived as a primary contributor to T&E inefficiency (i.e. inducing excessive cost or delay)
 - Identify areas for potential policy change that might improve T&E efficiency and effectiveness, with a sharp focus on overall cost reduction.



Policy Working Group

(broad membership)

- **Mr. Steve Whitehead**
 - *EXCOM Chair*
- **Mr. George Ryan**
 - *OPNAV (N091) / EXCOM Rep.*
- **CDR Bryan Herdlick**
 - *OPNAV (N912) / Wk Group Lead*
- **Ms. Maria Cuin**
 - *PEO (SHIPS)*
- **Mr. Bruce Griffin**
 - *PEO (SUBS)*
- **CAPT Dave Harrington**
 - *NAVAIR 1.6*
- **Mr. John Hartford**
 - *PEO (C4I&S)*
- **Mr. Andy Kristovich**
 - *NAVSEA 06 / PEO IWS T&E*
- **Mr. Bill Padgett**
 - *OPTEVFOR*
- **Mr. Jim Paull**
 - *NAVSEA 62T (NUWC Rep.)*
- **Mr. Matt Reynolds**
 - *PEO (SHIPS)*
- **Mr. Joe Wascavage**
 - *NAVAIR 1.6*
- **CDR John Williams**
 - *NAVAIR 1.6 / PEO(T)*
- **OSD Advisory Representatives:**
 - *Mr. George Axiotis*
 - *Mr. Thomas Blann*



Policy Review Focus

(cost drivers)

- **Review T&E policy documents to identify and recommend changes to address *cost drivers*:**
 - Inefficiency (i.e. unnecessary document drills & meetings)
 - Excessive levels of testing (When, how much, why?)
 - Perturbations and difficulty associated with technology insertion and/or spiral development strategies
 - Lack of clarity (misinterpretation)
 - Excessive Oversight (When, how much, why?)
 - Obstacles to innovation and/or Evolutionary Acquisition (EA)
 - Support for new concepts (generated by other working groups)
 - Conflict within or between policies
 - Fleet Introduction Policy (Lack of (??))
 - Policy Implementation Directives (Lack of (??))
 - Excessive certification requirements



Policies to be Reviewed

- Over-arching Policy
 - Statutory
 - DoD
- Navy Policy
 - SECNAV / OPNAV
- Organizational
 - SYSCOM
 - OPTEVFOR
 - "De Facto"
- Sister-Service Policy
 - Can we leverage their "Lessons Learned" and "Best Practices"?
- Previous Studies
 - What policy-specific issues were identified?



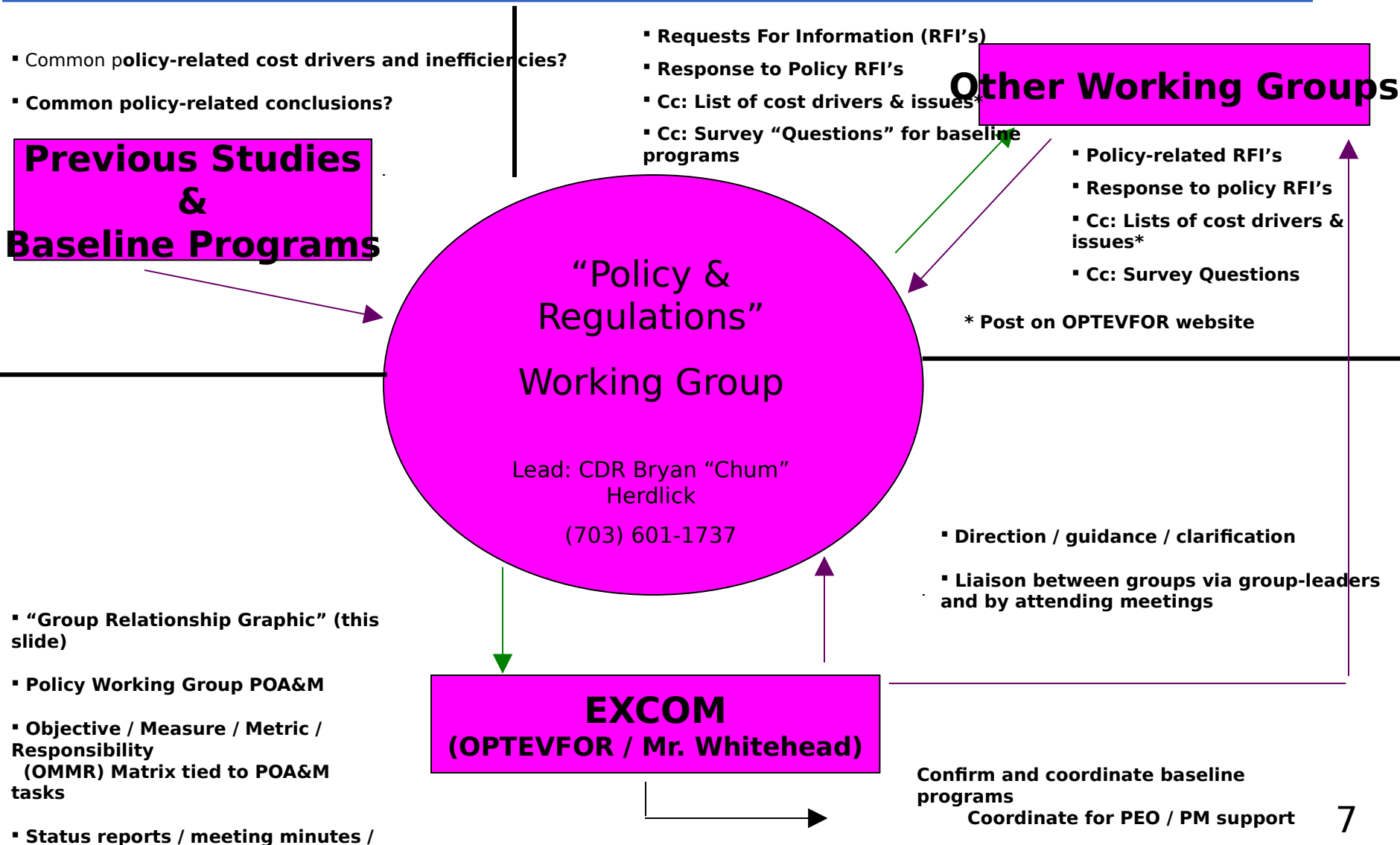
Changes

(the ultimate “product”)

- Will occur *throughout* the process
- Identify and evaluate potential changes via:
 - Policy Review
 - Evaluation Flow-chart (*slide follows*)
 - Consultation / Interaction (*slide follows*)
 - Other Groups
 - Previous Studies
 - Policy Document Owners (organizations)
- Assign confidence factor to recommendations (*slide follows*)
- Report Findings



Policy Working Group (Functional Diagram)



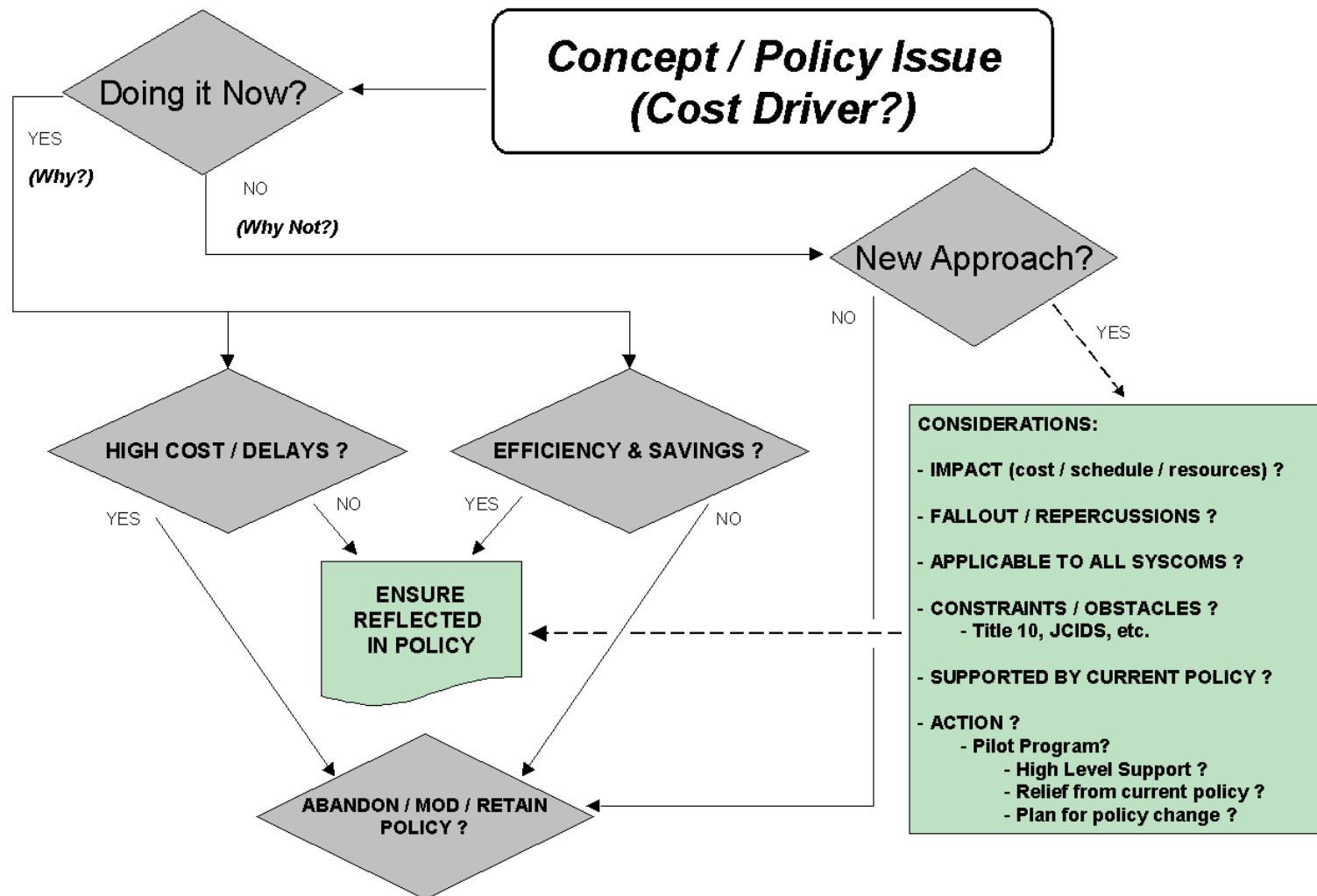


General Policy Review Questions

- Has policy recently changed and rendered the cost-driver a non-issue?
- Is the policy being misinterpreted?
 - Is the problem self-imposed?
- Could policy be modified to offer less restriction and/or support innovative test methodology?
- Is policy appropriate as the sole avenue for affecting change?
 - Execution is key!
- Do sister-service policy documents or guidebooks address the issue more effectively?
- Is policy the only source of inefficiency, or are other cost drivers associated with the issue?
- Is the issue SYSCOM- or platform-specific?
 - Has one SYSCOM effectively addressed the issue, and can that approach be applied Navy-wide?



Policy Review Flow-Chart



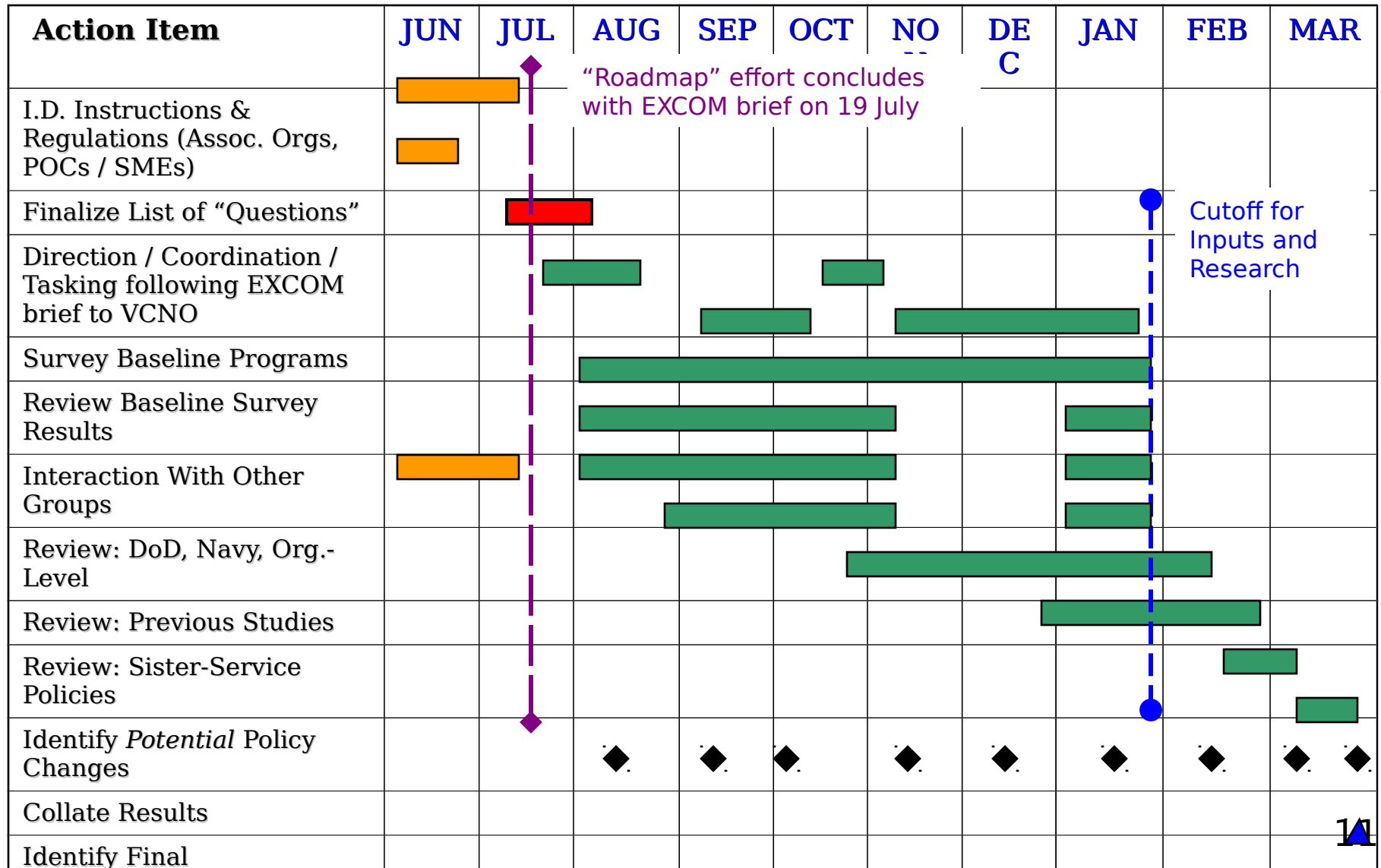


Confidence Factors

- Low
 - Generated from anecdotal evidence / qualitative comments
- Medium
 - Generated from single “prior study” or multiple case-study / baseline programs
- High
 - Generated from themes that span multiple studies or programs
- Very High
 - Identified as “High Confidence”, but also have quantitative fiscal data associated with them.



POLICY WORKING GROUP "ROADMAP"





Objective / Measure / Metric

- **Objective: Review T&E policy documents to identify and recommend changes to address *cost drivers (detailed earlier)*.**
- **Measures & Metrics (are not “clean” when it comes to policy)**
 - (1) **T&E cost is a result of execution. The impact of policy on overall T&E cost will be a function of how we do business and whether it changes after policy is modified.**
 - (2) **“Level of Difficulty” (to effect policy change) will be a function of the level of the policy involved with a particular cost driver. A reasonable expectation would be:**
High Statutory / DoD / Joint / Field Activity
Medium Navy
Low SYSCOM
 - (3) **Timeframe for affecting recommended changes to policy will also be a function of the level of each policy.** Interim guidance may be issued to support immediate changes to execution / methodology. A general expectation is:
Near FY05 Interim guidance where appropriate (i.e. “best practices”)
(No near-term document updates likely)
Mid FY06-08 SYSCOM / SECNAV
Far FY08+ Any other policy documents
 - (4) **Measures, Metrics and Responsibility will be tied to the policy document(s) involved, the nature of the cost driver(s), and the organization(s) responsible for each document.**



QUESTIONS ???

Comments ???

Backup Slides Follow

